

Direct Selling -Differentiation between Single, Hybrid and Multi level structures:

Traditional Selling:

- Sales people are full time employees on basic/commission
- Sell through storefronts, direct mailings, telemarketing, mass media advertising

Direct Selling:

- Sales people are independent – own time and impact on earnings
- Sell through in-home demonstrations, parties, one-on-one selling

Single level: e.g. Watkins

- Single level of commission paid – SINGLE LEVEL INCOME STREAM
- a single level of independent sellers that have contact with the company
- could be full time or part time independent distributors
- growth driven by the amount of people selling with a sales focus

Multi Level: e.g. Annique

- Multiple levels of commission paid – DUAL INCOME STREAMS
- Independent distributors are encouraged to recruit a down line
- Commission paid on own and down line sales
- Automatic movement in levels based on the standards set by the company - sales, recruits and down lines
- Complex, big personal sales in all levels encouraged

-Hybrid: Avroy Shlain

- 1st 3 points = MLM
- Lowest level focus on sales and higher levels focus on other roles – e.g. Recruiting, training, motivation
- No automatic movement - company approve movement

Network Marketing (Sportron) :

- No administration
- Recruits are users of product, not sellers